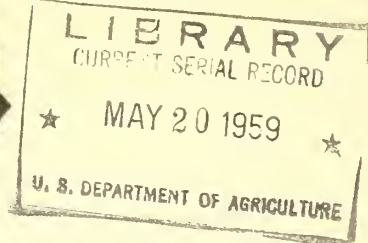


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27
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Foreign



CROPS AND MARKETS

FOR RELEASE MONDAY, MAY 18, 1959

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CONTENTS

NUMBER 20

PAGE

COTTON

Brazil's Cotton Exports and Production Down	21
U. S. Cotton Imports Up in March.	22
Free World Grows More Cotton; Exports Less	22
U. S. Cotton Linters Imports Decline in March.	24
U. S. Cotton Exports in March Increase From February	24
Cotton Prices Stronger in World Markets	26
Cotton Consumption, Imports, and Stocks Decline Abroad	26

FATS, OILSEEDS, AND OILS

Philippine Copra and Coconut Oil Exports Down One-third From Last Year	2
Norway Produces Less Margarine in 1958; Uses More	15
Oilseed Shipments Through Suez Continue Large	18
Uruguay Loses One-half of Its 1959 Sunflower Seed Crop	20
Costa Rica Increases African Oil Palm Plantings	20

FOREIGN TRADE DEVELOPMENTS

New Zealand and West Germany Sign Trade Agreement	16
Fewer Farms in West Germany	24

FRUITS, VEGETABLES, AND NUTS

South Africa Short of Beans	2
Canadian Canned Fruit Pack Slightly Smaller in 1958	9
Mexican Strawberry Crop Damaged by Rains	10
Mexican Vegetable Shipments Large	10
Turkey Increases Shelled Filbert Exports.	11
Chile May Import Beans	14

GRAINS, FEEDS, SEEDS, AND HOPS

Mexican Rice Crops Sets Another Record; Consumption Up	12
Burmese Rice Sales Slow	13
Canadian Wheat and Flour Exports Continue Low.	16
U. S. Rice Exports Largest Since October	18

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

CONTENTS (Continued)

	Page
LIVESTOCK AND MEAT PRODUCTS	
U. S. Mohair Exports Up Sharply.....	6
U. S. Exports of Hides and Skins Decline in First Quarter 1959.....	6
Australian Wool Production Estimate Revised Upward.....	8
Australian Beef Shipments to U. S. in April.....	8
New Zealand Boneless Beef Production Drops.....	8
Ireland To Ship Horsemeat to Sweden.....	8
Australian Hide Prices and Exports Rise.....	9
TOBACCO	
Denmark Exporting More Tobacco Products.....	3
Spain's Tobacco Imports Up Last Year.....	3
U. S. Tobacco Exports Drop in March.....	4
Dutch Reduce Cigarette Consumption in 1958.....	5

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SOUTH AFRICA SHORT OF BEANS

The 1958-59 bean crop recently harvested in the Union of South Africa was reduced and damaged by prolonged general drought throughout the growing season and untimely rains at harvest time (April). No estimate of the extent of damage is yet available, but South African traders are inquiring about the availability and prices of U.S. white beans suitable for canning.

South Africa normally produces about 875,000 bags of beans annually, of which 425,000 bags are exported--principally to the United Kingdom, Japan, Belgium, Israel, and the Federation of Rhodesia and Nyasaland.

PHILIPPINE COPRA AND COCONUT OIL EXPORTS DOWN ONE-THIRD FROM LAST YEAR

Philippine exports of copra and coconut oil in January-April 1959 totaled 114,232 long tons, oil basis. This represents a decline of more than one-third from the volume shipped in the first 4 months of 1958.

Copra exports of 32,544 tons in April were the smallest in any single month since May 1953, when 32,079 tons were exported. Coconut oil shipments of 5,898 tons in April were the largest monthly shipments this year. (Detailed statistics will be published next week.)

The Philippine copra export price in mid-May was about \$267.50 per short ton, c.i.f. Pacific Coast (mid-April -- \$265, mid-March -- \$257). Local buying prices were reported at 53 to 54 pesos per 100 kilograms (\$269.25 to \$274.33 per long ton) resecada Manila and 49 to 53 pesos (\$248.93 to \$269.25) in producing areas.

DENMARK EXPORTING MORE
TOBACCO PRODUCTS

Danish exports of manufactured tobacco products gained in 1958 over 1957. All items increased except cigars, whose volume was practically unchanged. Denmark exported tobacco products to more countries in 1958 than in 1957. It is reported that one Danish manufacturer has introduced a new brand of cheroots for sale in the Common Market.

Denmark has consistently been a buyer of high-quality U.S. tobaccos.

SPAIN'S TOBACCO IMPORTS
UP LAST YEAR

Spanish imports of unmanufactured tobacco totaled 56.0 million pounds in 1958 compared with 46.7 million in 1957. Imports from the United States rose from 7.7 million in 1957 to 8.0 million in 1958. The biggest increases, however, were for Brazil and the Philippines. These countries, combined, supplied 38.2 million pounds of leaf to the Spanish market last year compared with 22.8 million in 1957. The other major supplier in 1958 was Cuba with 9.1 million pounds.

TOBACCO, UNMANUFACTURED: Spain, imports by country of
origin, 1956-58

Country of origin	1956	1957	1958
	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
United States.....	6,558	7,730	8,019
Brazil.....	4,512	10,280	22,238
Philippine Republic.....	20,917	12,569	16,004
Cuba.....	12,595	10,667	9,081
Greece.....	---	---	667
Dominican Republic.....	4,392	2,147	---
Others.....	1,099	3,340	---
Total.....	50,073	46,733	56,009

U. S. TOBACCO EXPORTS
DROP IN MARCH

U. S. exports of unmanufactured tobacco in March 1959 totaled 33.2 million pounds--a drop of 6.6 percent from March a year earlier. The value of March 1959 exports also was lower than in March 1958--\$23.5 million compared with \$24.5 million.

Exports of flue-cured, dark-fired Kentucky-Tennessee, Virginia fire-cured and cigar wrapper were below those of March a year ago. There were increases in Burley, Maryland, Green River, One Sucker, Black Fat, and cigar binder.

For the first 3 months of calendar 1959, exports totaled 77.7 million pounds--down about 6 percent from the 82.5 million shipped out in January-March 1958. Exports for the 9 months of fiscal year 1959 totaled 398 million pounds--about 1 percent above those for the corresponding period of fiscal 1958.

TOBACCO, UNMANUFACTURED: U. S. exports, by type and export weight, March and January-March 1958 and 1959, with percent change

Type	March		Percent change	January-March		Percent change
	1958	1959		1958	1959	
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Flue-cured.....	26,112	22,333	-14.5	59,716	54,779	-8.3
Burley.....	3,529	4,185	+18.6	8,918	7,534	-15.5
Dark-fired Ky.-Tenn. .	2,612	2,177	-16.7	5,544	5,592	+9.9
Va. fire-cured 1/.....	629	470	-25.3	1,270	1,767	+39.1
Maryland.....	1,465	1,481	+1.1	2,934	2,807	-4.3
Green River.....	202	383	+89.6	411	550	+33.8
One Sucker.....	103	1,103	--	324	1,278	--
Black Fat, etc.	216	251	+16.2	895	988	+10.4
Cigar wrapper.....	416	400	-3.8	1,140	1,181	+3.6
Cigar binder.....	111	215	+93.7	657	605	-7.9
Cigar filler.....	--	134	--	8	150	--
Other.....	157	87	-44.6	710	476	-33.0
Total.....	35,552	33,219	-6.6	82,527	77,707	-5.8
Declared value (million dollars)...	24.5	23.5	-4.1	59.0	55.5	-5.9

1/ Includes sun-cured.

Bureau of the Census.

U. S. exports of tobacco products in March 1959 were valued at \$8.3 million--up 22.1 percent from March of last year. Exports of cigarettes at 1,478 million pieces were up 6.5 percent, cigars and cheroots were up 15.9 percent. Smoking tobacco in bulk--at 1,972,000 pounds--increased 141 percent above the corresponding month a year ago.

TOBACCO PRODUCTS: U. S. exports, March and January-March
1958 and 1959, with percent change

Products and value	March		Percent change	January-March		Percent change
	1958	1959		1958	1959	
Cigars and cheroots (1,000 pieces).....	759	880	+15.9	2,538	2,439	-3.9
Cigarettes (million pieces).....	1,388	1,478	+6.5	3,986	4,256	+6.8
Chewing and snuff (1,000 pounds).....	79	67	-15.2	353	314	-11.0
Smoking tobacco in pkgs. (1,000 pounds).....	70	69	-1.4	171	174	+1.8
Smoking tobacco in bulk (1,000 pounds).....	817	1,972	+141.4	2,031	2,855	+40.6
Total declared value (million dollars).....	6.8	8.3	+22.1	19.2	21.4	+11.5

Bureau of the Census.

DUTCH REDUCE CIGARETTE
CONSUMPTION IN 1958

Dutch smokers smoked fewer cigarettes in 1958 than in 1957, according to recent Netherlands data. Cigarette sales, at 13,043 million pieces last year, were 3 percent below the 1957 consumption of 13,457 million. At the same time, there was an increase in sales of "cut" tobacco used for both pipe smoking and "roll-your-own" cigarettes. Sales of this product amounted to 19.6 million pounds in 1958 compared with 17.9 million pounds in 1957. Sales of cigars and cigarillos in 1958 also were larger than in 1957.

Less cigarette use last year reflects the rise in retail prices of about 5 percent made effective in March 1958. Trade representatives in the Netherlands think, however, that cigarette consumption will rise this year, and that sales of "cut" tobacco will drop.

U. S. MOHAIR EXPORTS UP SHARPLY

Shipments of mohair and other wool-like specialty hair in January-March 1959 totaled 5.2 million pounds, clean basis, compared with 2.1 million pounds a year earlier. However, exports in the first quarter of 1958 were relatively low as a result of the textile recession in major foreign markets. Exports in the first quarter of 1959 increased sharply to the United Kingdom, the Netherlands, Belgium, and Japan.

The strong revival of foreign demand is reflected in mohair prices. The average price received by Texas growers in April 1959 was \$1.05 per pound, compared with 55 cents a year earlier.

MOHAIR 1/: U. S. exports by country of destination, clean content, annual 1956-58 January-March 1958 and 1959

Country of destination	Annual			January-March	
	1956	1957	1958	1958	1959
	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds
United Kingdom.....	7,795	6,017	8,115	1,133	3,179
Netherlands.....	2,482	1,804	3,046	534	1,113
Belgium.....	952	1,432	854	191	429
Japan.....	217	402	263	54	326
Canada.....	107	57	247	35	40
Germany, West.....	107	94	369	77	58
Switzerland.....	104	74	190	58	10
Others.....	71	112	126	15	67
Total.....	11,835	9,992	13,210	2,097	5,222

1/ Includes other wool-like specialty hair.

Source: U. S. Bureau of Census.

U. S. EXPORTS OF HIDES AND SKINS DECLINE IN FIRST QUARTER 1959

U. S. exports of cattle hides and calf and kip skins all fell sharply in the first quarter of 1959 from the same period of 1958. Exports of cattle hides in January-March were down 26 percent and shipments of calf and kip skins were less than one-half those of a year earlier. These declines were caused by smaller supplies and higher prices.

Shipments of sheep and lamb skins rose sharply in the first quarter of 1959, especially to the United Kingdom.

HIDES AND SKINS: U.S. exports, annual 1956-58 and
January-March 1958 and 1959

Destination	Annual			January-March		Increase or decrease (-)
	1956	1957	1958 ^{1/}	1958	1959	1959
	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces	1,000 pieces
Cattle hides:						
Canada.....	774	818	578	218	211	- 7
Mexico.....	702	424	330	42	97	55
Germany, West.....	436	812	614	167	121	- 46
Netherlands.....	285	1,369	869	244	126	-118
Poland.....	--	5	295	105	4	-101
United Kingdom.....	243	390	167	103	12	- 91
Yugoslavia.....	246	203	195	16	30	14
Japan.....	1,329	1,397	1,436	344	347	3
Other.....	925	1,099	914	264	163	-101
Total.....	4,940	6,517	5,398	1,503	1,111	-392
Calf skins:						
Canada.....	563	704	668	179	149	- 30
France.....	49	36	143	76	6	- 70
Germany, West.....	431	300	361	111	54	- 57
Italy.....	104	194	247	91	42	- 49
Netherlands.....	105	196	243	94	14	- 80
Switzerland.....	1	50	126	66	10	- 56
United Kingdom.....	66	110	42	8	4	- 4
Japan.....	455	412	398	74	40	- 34
Other.....	73	68	125	18	25	7
Total.....	1,847	2,070	2,353	717	344	-373
Kip skins:						
Canada.....	7	8	8	4	1	- 3
Belgium.....	20	22	22	12	0	- 12
Germany, West.....	351	417	251	93	21	- 72
Netherlands.....	104	181	108	35	26	- 9
United Kingdom.....	32	98	10	5	0	- 5
Japan.....	578	405	183	75	34	- 41
Other.....	167	95	133	35	35	0
Total.....	1,259	1,226	715	259	117	-142
Sheep and lamb ^{2/} :						
Canada.....	337	609	500	200	129	- 71
Mexico.....	84	62	100	2	12	10
Belgium.....	43	10	4	1	4	3
France.....	88	107	10	2	5	3
Poland.....	--	--	135	0	0	0
United Kingdom.....	258	382	407	74	196	122
Other.....	21	184	209	32	93	61
Total.....	831	1,354	1,365	311	439	128

^{1/} Preliminary. ^{2/} Includes goat and kid.

Source: U. S. Bureau of Census.

AUSTRALIAN WOOL PRODUCTION
ESTIMATE REVISED UPWARD

Australia announced on May 1 a revised wool production estimate of 1,544 million pounds, grease basis, for the 1958-59 season (July-June). This is substantially above the December estimate of 1,459 million pounds and last season's output of 1,433 million pounds. It is near the record 1,564 million pounds in 1956-57.

The increase this season is due to a more favorable growing season. Fleece weights have been considerably higher than for last season's drought-affected clip. Sheep numbers in 1959 are expected to be down slightly from a year earlier.

AUSTRALIAN BEEF SHIPMENTS
TO U. S. IN APRIL

The ship Mariposa sailed from Australia about mid-April with 459,200 pounds of frozen beef. Destinations of the ship were Los Angeles, 237,440 pounds, and San Francisco, 221,760 pounds.

NEW ZEALAND BONELESS
BEEF PRODUCTION DROPS

New Zealand's production of boneless manufacturing beef for export dropped from 62.1 million pounds during the 5 months ended March 29, 1958 to 53.2 million pounds during the same period in 1959--a reduction of 14 percent.

During 1958, New Zealand exported 182 million pounds of beef and veal to the United States, most of it boneless manufacturing beef. Exports dropped sharply during the first 2 months of 1959 and are expected to continue lower in 1959 than in 1958.

Prices received by New Zealand farmers this season for "boner" cattle dropped over 12 percent between the week ending March 7 and the week ending April 25.

IRELAND TO SHIP HORSE-
MEAT TO SWEDEN

An Irish meat-packing firm in Limerick plans to make several trial shipments of horsemeat to Sweden to test the market there. The Limerick firm is the first packer to qualify for exports under a regulation issued in 1957 permitting shipments of horsemeat abroad (see Foreign Crops and Markets, December 1, 1959). The shipments it plans will be its first.

Sweden, the largest importer of U. S. horsemeat, took 2.2 million pounds, valued at \$703,753 from the United States during 1958.

AUSTRALIAN HIDE PRICES AND EXPORTS RISE

Australian cattle hide prices have risen sharply in recent weeks along with the increases in Argentina and the United States--the 2 major exporters. Industry spokesmen attribute the rise to a present hide shortage caused by a drop in U.S. and Argentine slaughter (see Foreign Crops and Markets, May 4, 1959).

Prices of Australian light hides in early April ranged up to 33 cents per pound, compared with 19 cents a year earlier. The price of heavy hides in the same periods was 23 and 18 cents, respectively.

Australian exports of hides have also increased sharply from a year earlier. During the July-February period, exports of cattle hides increased from 34.1 million pounds in 1957-58 to 45.2 million pounds in 1958-59. Shipments of yearling (kip) skins increased from 1.7 to 5.6 million pounds and calf skins rose from 2.6 to 3.5 million pounds.

The United States is taking substantial quantities of Australian hides for the first time since World War II. Exports of cattle hides to the United States in July-February 1958-59 totaled 5.4 million pounds. Small quantities of yearling and calf skins also went to the United States.

CANADIAN CANNED FRUIT PACK SLIGHTLY SMALLER IN 1958

The 1958 Canadian canned fruit pack for 9 selected items totaled 3,189,000 cases, basis 24 No. 2½ cans, and was slightly smaller than the 3,304,300-case output of a year earlier. The number of cases of apple products, plums, cherries, and raspberries increased; canned apricot and strawberry production declined sharply. According to the Canadian Department of Trade and Commerce, 1957 and 1958 production of the canned fruit items indicated below was:

Item	1957 pack	1958 pack <u>1/</u>
	<u>1,000 cases</u>	<u>1,000 cases</u>
Apples, solid pack		
(incl. crabapples).....	1/ 333.2	307.2
Apple sauce.....	<u>1/</u> 287.6	367.6
Apricots.....	181.9	49.8
Cherries.....	186.6	199.6
Peaches.....	1,387.5	1,288.2
Pears.....	592.8	599.5
Plums.....	187.7	248.5
Raspberries.....	72.8	82.0
Strawberries.....	74.2	46.8
Total.....	3,304.3	3,189.2

1/ Preliminary

MEXICAN STRAWBERRY CROP
DAMAGED BY RAINS

Unseasonal rains damaged the 1959 strawberry crop during the height of the harvest season. A preliminary trade estimate for the 1959 crop is 11,000 short tons. Acreage and production are as follows:

Year	Acreage	Production
	<u>Acres</u>	<u>Short tons</u>
1956.....	6,400	9,900
1957.....	8,200	13,500
1958.....	7,400	10,900
1959.....	6,900	11,000

Early prospects for the 1959 crop were good, but because of the unseasonal rains few berries were delivered to processors during April. If weather conditions are normal or better during May and June, the production forecast may be attained.

Exports of frozen berries to the United States and Canada are as follows:

Year	United States	Canada
	<u>1,000 pounds</u>	<u>1,000 pounds</u>
1956.....	11,250	665
1957.....	13,709	660
1958.....	14,367	1,103

Exports for the first 3 months of 1959 totaled only 6 million pounds. Prices for best quality frozen berries f.o.b. Laredo, Texas, are 16½ to 17½ U. S. cents per pound.

In 1958 almost one-third of the strawberries were marketed fresh or in products within Mexico.

MEXICAN VEGETABLE
SHIPMENTS LARGE

A total of 54 million pounds of fresh vegetables from Mexico crossed the border at Nogales, Arizona, from April 1 through 15. A few of the shipments may move to Canadian markets.

Tomatoes, watermelons, peppers, and cantaloups accounted for nearly 80 percent of the tonnage, with tomatoes amounting to 39 million pounds. Onions crossing totaled a million pounds. Other vegetables, in order of importance, were corn, snap beans, cucumbers, and eggplant. They totaled over 100,000 pounds, while squash, garlic, okra, peas, and blackeyed peas were below 50,000 pounds.

TURKEY INCREASES SHELLED FILBERT EXPORTS

In the 6-month period beginning September 1958, Turkish shelled filbert exports amounted to 27,035 short tons, compared with 23,644 tons in the same period a year earlier. At an estimated 120,000 short tons, unshelled, the 1958 Turkish filbert harvest was about 50 percent larger than the 81,000 tons produced in 1957.

West Germany doubled its imports of Turkish shelled filberts during the first 6 months of the 1958-59 marketing season, while the United States and the United Kingdom takings declined very sharply.

Turkish exports of in-shell filberts consisted solely of 110 tons to Czechoslovakia during 1957-58; in the first 6 months of 1958-59 in-shell exports increased to 547 tons and were as follows: East Germany 221, Czechoslovakia 209, Norway 102, other 15.

FILBERTS, SHELLED: Turkey, exports by destination, September-August 1957-58, and September-February 1957-58 and 1958-59

Destination	Sept.-Aug. 1957-58	September-February	
		1957-58	1958-59
	Short tons	Short tons	Short tons
Germany, West.....	10,127	5,891	11,821
Switzerland.....	3,460	2,838	2,929
Germany, East.....	2,447	838	2,039
France.....	197	517	1,519
Norway.....	---	---	1,435
Hungary.....	707	234	1,102
Belgium.....	539	446	938
Yugoslavia.....	551	221	881
Finland.....	276	165	784
Austria.....	2,886	1,024	632
United States.....	3,737	4,960	578
U.S.S.R.	---	---	551
Netherlands.....	791	231	466
Czechoslovakia.....	1,945	1,086	438
Sweden.....	204	148	250
Poland.....	---	---	217
United Kingdom.....	4,889	4,214	168
Egypt.....	---	---	154
Other countries.....	1/ 3,945	2/ 831	133
Total.....	36,701	23,644	27,035

1/ Includes 2,094 tons to Israel and 1,538 to Italy.

2/ Includes 551 tons to Israel and 269 tons to Italy.

MEXICAN RICE CROP SETS ANOTHER RECORD: CONSUMPTION UP

Mexico's record 1958 rice crop is now estimated at 555 million pounds of rough rice, compared with the previous largest harvest of 528.9 million pounds in 1957. Production in 1950-54 averaged 370 million pounds annually.

Both rice acreage and output have also increased every year since 1954. Acreage rose from 222,000 acres in that year to 310,000 acres in 1958. Per-acre yields also have been higher, due largely to the use of irrigation and modern methods of cultivation on most of the new acreage.

RICE: Mexican acreage, yield per acre, and production, averages 1940-54, annual 1955-58

Year	Acreage	Yield per acre	Production	
			Rough	Milled equivalent 1/
	<u>1,000 acres</u>	<u>Pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>
Average:				
1940-44.....	155	1,547	239.8	156
1945-49.....	190	1,731	328.9	214
1950-54.....	235	1,574	369.9	240
1955.....	236	1,959	462.4	301
1956.....	285	1,818	518.2	337
1957.....	290	1,824	528.9	344
1958 2/.....	310	1,790	555.0	361

1/ Converted at 65 percent. 2/ Foreign Agriculture Service estimate.

Compiled from official sources, except as noted.

The outlook for 1959 is for a still larger production if sufficient credit is available at planting time. A larger area is expected to be planted in the irrigated districts of Veracruz state as well as in Tabasco. It is now believed, however, that the large increase in rice acreage planned for Tabasco will not materialize (see Foreign Crops and Markets, December 15, 1958). The increase there is now expected to be around 12,000 acres rather than the 123,000 acres originally planned.

Rice supplies during 1958 allowed for an increase in domestic consumption and permitted exports of 24 million pounds of rough rice (15 million pounds milled basis). Consumption in 1959 is forecast at 550 million pounds of rough rice, a 4-percent gain over the 1958 level. Because of increased consumption, exports in 1959 are expected to decline significantly despite good supplies from the 1958 crop.

The January wholesale price of milled rice in Mexico City rose to a record \$8.39 per 100 pounds, but declined in February and March as supplies from the new crop began to reach the markets. The average price in the first quarter of 1959 was \$7.52 per 100 pounds compared with \$7.70 per 100 pounds in the first quarter of 1958.

BURMESE RICE SALES SLOW

Less than 500,000 metric tons of Burma's 1958-59 rice crop was sold by late April. Buyers were reluctant to pay the prices asked, and there was an early-season delay in seeking markets.

The amount of rice and rice products that Burma will actually export during 1959 is now estimated at 1.5 million tons, about the same as exports of 1,492,000 tons in 1958. From 2 to 2.4 million tons probably are available for export. The government has announced an export availability of 1.81 million tons.

Burma's 1958-59 rice crop is now estimated at 16,800 million pounds of rough rice (7.5 million tons). It is too early to forecast the size of the 1959-60 crop. If weather is satisfactory--weather is by far the most important factor--Burma should have another large crop. Acreage will continue to increase. Year-end stocks of rice and paddy should be very large. Paddy stocks on January 1, 1959, were greater than expected earlier.

As a means of increasing rice exports, the State Agricultural Marketing Board (SAMB) in March 1959 appointed agents to sell rice in all world areas on a commission basis. Local firms appointed were the East Asiatic Co., Ltd., Louis Dreyfus & Co., Ltd., and Steel Bros. & Co., Ltd., all of Rangoon. In addition, 5 foreign firms were appointed to sell rice to Asia, the Middle East, Europe, Africa, and South and Central America. Burma will still handle the large government-to-government sales in those countries that do not permit private imports, such as India.

Because of the slowness of sales thus far in 1959, Burma will probably barter more rice this year. So far, suggested SAMB barter negotiations are as follows: 100,000 long tons with France--mainly for the French African possessions; 50,000 tons with the U.S.S.R.; 30,000 tons with Czechoslovakia; and 30,000 tons with Yugoslavia.

Rice exports in January and February 1959 totaled 144,300 tons, compared with 147,700 tons exported in the same months of 1958. Major destinations were Indonesia and Malaya and Singapore, but smaller amounts to a number of countries made up a large part of the exports (see table, page 14).

Exports of milled rice in 1958, excluding rice products, amounted to 1,412,000 tons, 340,000 tons less than in 1957. In addition, 80,525 tons of rice bran were exported: 45,691 to the United Kingdom; 34,135 to Malaya; 606 to Ceylon; and 93 to Japan.

RICE (MILLED) 1/: Burma, exports by country of destination,
January-February 1959, with comparisons

Destination	Average	1956	1957 2/	1958 2/	January-February 2/	
	1951-55				1958	1959
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
Ceylon.....	207,310	246,685	298,203	189,931	22,384	4,064
Hong Kong.....	17,833	36,428	1,488	5,118	0	3,589
India.....	351,786	287,976	504,363	390,528	54,839	6,917
Indonesia.....	170,421	297,903	212,074	247,581	0	59,345
Japan.....	220,364	266,684	106,085	50,860	4,673	0
Malaya & Singapore:	100,934	178,779	140,671	153,813	22,160	34,385
Pakistan.....	0	124,044	148,213	139,795	26,544	7,916
Philippines.....	8,371	0	0	29,613	0	0
Ryukyu Islands....	14,445	30,443	30,888	20,314	0	4,854
Western Asia 3/...	40,660	76,929	53,906	28,746	3,849	6,769
Soviet Union.....	27,578	119,160	73,267	0	0	0
Czechoslovakia....	4,902	35,410	4/	4/	0	2,311
Germany, East.....	10,208	5,876	4/ 31,434	4/ 32,252	0	0
Hungary.....	2,063	19,041	549	0	0	0
Other Soviet Bloc..	3,759	28,656	0	0	0	0
Belgium-Luxembourg:	9,975	6,819	24,211	16,577	468	1,727
Netherlands.....	9,101	6,163	10,208	3,254	1,250	2,917
United Kingdom....	24,362	17,398	9,599	1,792	254	5
Yugoslavia.....	2,576	25,364	21,554	21,353	2,012	0
Other Europe.....	6,307	8,684	454	0	0	0
Mauritius.....	21,150	32,836	51,841	51,528	6,824	5,183
Africa.....	23,473	11,294	16,929	20,742	2,489	3,783
Other areas.....	42,170	1,951	18,110	7,905	0	508
Total.....	1,319,748	1,864,523	1,754,047	1,411,702	147,746	144,273

1/ Excluding rice products. 2/ Preliminary. 3/ Specifically, Israel, Saudi Arabia, other Arabian States. 4/ Rice for Czechoslovakia probably included in shipments to East Germany.

CHILE MAY IMPORT BEANS

Recent heavy storms and cold, wet weather have reduced Chile's bean crop. Although no estimates of the extent of damage are available, there are indications that Chile may be importing beans this year to supply the domestic market. Chile usually exports around 700,000 bags a year.

NORWAY PRODUCES LESS MARGARINE IN 1958; USES MORE

Norway's margarine output was down slightly in 1958, but consumption was up more than 2 percent from 1957. Exports dropped sharply because increased consumption and decreased output reduced exportable supplies. Based on a population estimate of 3.5 million, per capita consumption of margarine in 1958 was roughly 53 pounds.

MARGARINE: Norway, estimated supply and distribution, 1956-58

Item	1956	1957	(Preliminary) 1958
	1,000 short tons	1,000 short tons	1,000 short tons
Supply:			
Opening stocks, January 1...	2.4	1.4	1.3
Production.....	107.1	104.7	103.0
Total.....	109.5	106.1	104.3
Distribution:			
Exports.....	12.2	12.1	7.9
Consumption.....	95.9	92.7	95.0
Ending stocks, December 31..	1.4	1.3	1.4
Total.....	109.5	106.1	104.3

Roughly one-third of the oils used in margarine continued to be vegetable oils, and two-thirds marine oils; but use of coconut oil declined almost 10 percent because of high prices following a world shortage of copra. Hardened peanut oil was substituted for some of the coconut oil.

Limited supplies of coconut oil and marine oils in 1959 will probably increase the use of other oils this year. Although domestic production of marine oils this year is expected to approximate that in 1958, stocks were cut down last year to maintain exports, and it seems unlikely that exports can be reduced very much this year in view of sales already made and commitments through trade agreements. Use of vegetable and marine oils in margarine, shortening, and related products for the past 3 years is officially reported as follows:

Commodity	1956	1957	(Preliminary) 1958
	1,000 short tons	1,000 short tons	1,000 short tons
Marine oils.....	59.4	58.4	58.1
Vegetable oils:			
Coconut oil.....	24.9	24.6	22.7
Other.....	8.0	7.6	8.6
Total vegetable.....	32.9	32.2	31.3
Total.....	92.3	90.6	89.4

NEW ZEALAND AND WEST GERMANY SIGN TRADE AGREEMENT

A 2-year trade agreement between New Zealand and West Germany, signed April 20, 1959, places West German imports of certain New Zealand agricultural products on a quota basis.

The agreement provides for imports of specified amounts of beef, lamb, mutton, canned meat, dehydrated milk, apples, pears, and canned and frozen vegetables from April 1, 1959, to March 31, 1960.

In 1958 West German agricultural imports from New Zealand totaled \$25.9 million. Of this, \$17.3 million was wool, \$3.9 million hides and skins, and \$3.0 million other livestock products. Providing New Zealand can tender successfully on the listed commodities, the value of the new trade agreement will be around \$7 million annually, not including wool and hides and skins--trade in which is already liberalized.

It was agreed that consultations on revision of quotas may be proposed by either country, especially if disturbances in German-New Zealand trade occur as a result of European economic integration.

CANADIAN WHEAT AND FLOUR EXPORTS CONTINUE LOW

Canadian wheat and flour exports during the first 9 months (July-March) of 1958-59 totaled 209 million bushels, about 3 percent below those in the comparable period a year earlier. Wheat exports accounted for a drop of 5.9 million bushels and flour for 1.1 million bushels.

Exports of wheat to India were down approximately 50 percent, but they are expected to pick up in the next few months as a result of Canada's aid program. The U.S.S.R. imported no Canadian wheat in July-March 1958-59, compared with 7 million bushels a year earlier. However, trade circles report that the Soviet Union is negotiating for 10 or 15 million bushels of Canadian wheat. Arrangements are said to be nearer completion than wheat and barley negotiations with Poland, which are moving slowly.

Canada's exports to its major wheat markets (the United Kingdom, Japan, and West Germany) were above those in the 9-month period a year earlier. The Union of South Africa, which took no Canadian wheat in 1957-58, imported 4 million bushels in the first 9 months of 1958-59.

The United Kingdom continued to be the main outlet for Canadian flour, taking slightly more than a year earlier. Exports of flour to Ceylon were up somewhat. Recent establishment of flour mills in the Philippines and Venezuela has reduced imports of Canadian flour by those countries.

Wheat and flour exports during the first 9 months (August-April) of the 1958-59 Canadian marketing year are expected to be approximately 4 million bushels below the 219 million bushels exported in August-April 1957-58.

WHEAT AND FLOUR: Canadian exports by country of destination,
July-March 1957-58 and July-March 1958-59

Destination	July-March 1957-58			July-March 1958-59		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	bushels	bushels	bushels	bushels	bushels	bushels
Western Hemisphere:						
United States	4,401:	1,244:	5,645:	2,198:	1,224:	3,422
British West Indies :	3:	3,926:	3,929:	4:	3,678:	3,682
Central America	206:	1,016:	1,222:	32:	1,427:	1,459
Cuba	1:	368:	369:	1:	239:	240
Ecuador	212:	-- :	212:	627:	-- :	627
Peru	1,382:	29:	1,411:	1,061:	23:	1,084
Venezuela	138:	2,608:	2,746:	2,260:	971:	3,231
Others	184:	1,423:	1,607:	89:	1,308:	1,397
Total	6,527:	10,614:	17,141:	6,272:	8,870:	15,142
Europe:						
Austria	2,000:	-- :	2,000:	2,149:	-- :	2,149
Belgium-Luxembourg ..	8,021:	256:	8,277:	9,026:	256:	9,282
France	754:	-- :	754:	1,088:	-- :	1,088
Germany, West	21,212:	-- :	21,212:	24,068:	-- :	24,068
Ireland	1,435:	1:	1,436:	3,224:	-- :	3,224
Italy	601:	-- :	601:	1,208:	1:	1,209
Netherlands	16,103:	1:	16,104:	9,559:	7:	9,566
Norway	2,600:	-- :	2,600:	2,771:	-- :	2,771
Poland	2,497:	-- :	2,497:	848:	-- :	848
Switzerland	4,840:	2/ :	4,840:	4,724:	-- :	4,724
United Kingdom	67,996:	9,649:	77,645:	68,605:	9,828:	78,433
U.S.S.R.	7,387:	-- :	7,387:	-- :	-- :	--
Others	1,331:	128:	1,459:	1,224:	102:	1,326
Total	136,777:	10,035:	146,812:	128,494:	10,194:	138,688
Asia:						
Ceylon	-- :	656:	656:	-- :	1,371:	1,371
China	202:	-- :	202:	1,643:	-- :	1,643
India	12,813:	20:	12,833:	6,665:	2:	6,667
Israel	-- :	-- :	-- :	1,373:	-- :	1,373
Japan	28,225:	559:	28,784:	29,425:	571:	29,996
Pakistan	2,358:	2/ :	2,358:	2,327:	-- :	2,327
Philippine Republic :	-- :	3,841:	3,841:	1,092:	2,941:	4,033
Others	268:	1,158:	1,426:	471:	1,337:	1,808
Total	43,866:	6,234:	50,100:	42,996:	6,222:	49,218
Africa:						
Union of South Africa:	-- :	-- :	-- :	4,160:	-- :	4,160
Others	481:	902:	1,383:	249:	1,454:	1,703
Total	481:	902:	1,383:	4,409:	1,454:	5,863
Oceania	771:	29:	800:	-- :	14:	14
Unspecified	-- :	-- :	-- :	366:	-- :	366
World total	188,422:	27,814:	216,236:	182,537:	26,754:	209,291

1/ Grain equivalent. 2/ Less than 500 bushels.

Source: Board of Grain Commissioners for Canada.

OILSEED SHIPMENTS THROUGH SUEZ CONTINUE LARGE

Northbound shipments of oilseeds through the Suez Canal in January were slightly larger than those in January 1958. The volume of soybeans was up sharply, but reduced shipments of copra, peanuts, cottonseed, and flaxseed almost offset this gain.

OILSEEDS: Northbound shipments, Suez Canal, January 1958 and 1959,
October-January 1957-58 and 1958-59

Oilseed	January		October-January	
	1958	1959	1957-58	1958-59
	1,000	1,000	1,000	1,000
	short tons	short tons	short tons	short tons
Soybeans 1/.....	15.4	77.2	46.3	202.8
Copra.....	78.3	58.4	346.1	199.5
Peanuts.....	26.5	16.5	59.5	54.0
Cottonseed.....	20.9	6.6	61.7	37.5
Flaxseed 2/.....	8.8	1.1	14.3	6.6
Other.....	20.9	15.4	76.0	66.1
Total.....	170.8	175.2	603.9	566.5

1/ 33.3 bushels per ton. 2/ 35.7 bushels per ton.

Suez Canal Authority, Monthly Bulletin (Cairo, Egypt).

The quantity of oilseeds moving northward in October-January of the current marketing year was around 5 percent below that a year earlier. Again, as in January, soybean movements were much larger, but were offset by reduced copra shipments alone; and smaller quantities of other oilseeds reduced the total volume.

U. S. RICE EXPORTS LARGEST SINCE OCTOBER

U. S. rice exports in March, at 1,464,000 bags (100 pounds) in terms of milled, were up sharply from recent months and were the largest since October 1958. French West Africa, West Germany, and Cuba were the principal destinations.

Rice exports in the first 8 months of the current marketing year (August-March) were 8,163,000 bags--300,000 bags less than in the same months of 1957-58. Greatly reduced exports to Pakistan and Korea decreased the volume to Asia. However, exports to other Asian countries, at 2,021,000 bags, were up sharply from the 580,000 bags in August-March 1957-58.

Exports to Europe in August-March were 18 percent of total rice exports, a remarkable gain compared with only 1 percent in the same months of 1957-58. These exports went mainly to West Germany, the United Kingdom, Belgium-Luxembourg, and the Netherlands. August-March exports to African countries came to 637,000 bags--more than double the 236,000 bags exported to those countries in August-March 1957-58.

RICE: United States exports, in terms of milled, to specified countries, March 1959, with comparisons 1/

Country of destination	August- July		August-March		March	
	1957-58		1957-58 1958-59		1958 1959	
	cwt.		cwt. cwt.		cwt. cwt.	
Western Hemisphere:						
Canada	293	229	211	16	9	
British Honduras	24	6	1	0	0	
British West Indies	103	98	20	1	4	
Cuba	4,246	2,997	2,843	309	216	
Guatemala	68	45	13	18	2	
Netherlands Antilles	54	34	39	3	5	
Nicaragua	5	0	44	0	0	
Bolivia	44	44	0	22	0	
Peru	980	330	3	329	3/	
Other countries	78	35	54	8	2	
Total	5,895	3,818	3,228	706	238	
Europe:						
Belgium-Luxembourg	76	52	229	3/	56	
West Germany	30	0	662	0	227	
Greece	23	15	38	4	3	
Netherlands	14	3	197	0	66	
Sweden	12	10	26	2	1	
Switzerland	32	30	24	0	1	
United Kingdom	34	2/	256	0	49	
Other countries	6	1	24	0	3	
Total	227	111	1,456	6	406	
Asia:						
Ceylon	331	0	550	0	0	
Indonesia	753	0	89	0	0	
Korea, Republic of	242	242	0	0	0	
Pakistan	3,453	2,713	241	708	219	
Philippine Republic	554	377	1,140	0	0	
Saudi Arabia	151	88	67	1	15	
Other Arabian States	126	109	137	2	39	
Other countries	14	6	38	0	1	
Total	5,624	3,535	2,262	711	274	
Total Oceania	52	35	36	4	1	
French Somaliland	6	0	46	0	0	
French West Africa	0	0	350	0	348	
Liberia	270	226	202	30	32	
Other Africa	17	10	39	3/	12	
Destination not specified	17	12	14	1	3	
Total exports (Census) ...	12,108	7,747	7,633	1,458	1,314	
Ryukyu Islands <u>4/</u>	145	145	0	0	0	
Section 416 donations	683	573	530	1	150	
World total	12,936	8,465	8,163	1,459	1,464	

1/ Includes brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Less than 500 cwt. 4/ Programed by ICA and shipped by the Army.

Source: Bureau of the Census and Department of Agriculture.

URUGUAY LOSES ONE-HALF OF ITS 1959 SUNFLOWER SEED CROP

Recent floods in Uruguay have reduced the 1959 sunflower seed crop by 50 percent, according to the most recent estimate.

Originally estimated at 102,000 short tons, the harvest is now expected to be around 50,000 tons (see Foreign Crops and Markets, April 20, 1959). However, with the oil from this crop, and carryover of 11,000 tons from 1958, Uruguay may be able to maintain present consumption rates without large imports of vegetable oil.

COSTA RICA INCREASES AFRICAN OIL PALM PLANTINGS

Area planted to African oil palms in Costa Rica has been increased in 1959 to 11,836 acres. This is about 20 percent more than 1958 acreage of 9,835 acres. The new plantings will not start producing for 3 or 4 years. Output of both pericarp and kernel oil in 1959 is expected to decline substantially because of a marked drop in annual rainfall. Moreover, the oil extraction plant was closed about 4 weeks for overhaul.

AFRICAN PALM OIL: Costa Rica, estimated supply and distribution, 1957-1959

Supply and Distribution	1957	1958	1959 ^{1/}
	Short tons	Short tons	Short tons
Supply:			
Stocks, Jan. 1.....	253	542	1,520
Production: Pericarp oil.....	2,900	4,070	3,744
Kernel oil.....	159	279	243
Imports.....	68	2/	2/
Total supply.....	3,380	4,891	5,507
Distribution:			
Consumption: Pericarp oil.....	2,696	3,078	3,875
Kernel oil.....	141	293	243
Exports.....	2/	2/	2/
Stocks, Dec. 31: Pericarp oil....	522	1,514	1,383
Kernel oil.....	21	6	6
Total distribution.....	3,380	4,891	5,507

^{1/} Preliminary. ^{2/} Negligible.

All Costa Rican palm oil is used domestically to make edible oil, margarine, shortening, and soap. The capacity of one of the major soap factories has been enlarged recently and therefore the expected increase in African palm oil production will find a ready domestic market. Duties on imported edible fats and oils probably will be increased to protect the local industry.

BRAZIL'S COTTON EXPORTS
AND PRODUCTION DOWN

The downtrend in Brazilian cotton exports since 1953-54 continued during the first half of 1958-59. Preliminary estimates place August-January exports at only 54,000 bales (500 pounds gross). This was less than half the 129,000 bales exported in August-January 1957-58, and was the lowest level since the first half of the 1952-53 season.

The sharpest decline was in exports to Japan, which in recent years has been the largest market for Brazilian cotton. Quantities exported to principal destinations during August-January 1958-59, with comparable 1957-58 figures in parentheses, were: West Germany 15,000 bales (15,000); Japan 13,000 (67,000); Hong Kong 8,000 (7,000); United Kingdom 6,000 (6,000); Belgium 3,000 (0); Sweden 3,000 (2,000); and the Netherlands 2,000 (2,000).

Short supplies in recent years, along with high minimum export prices for the protection of the local textile industry, have held prices of Brazilian cotton above world levels, except under special bilateral trade agreements. Because of the smaller 1958-59 crop in North Brazil, Sao Paulo spot cotton prices advanced sharply during the first half of this season. By mid-January the price of Type 5 cotton had increased around 50 percent from the August 1958 price. Since the beginning of the South Brazilian harvest in February, prices have eased somewhat.

In late April, the government announced that exports of about 205,000 bales of cotton from the current South Brazilian crop and about 70,000 bales from next season's crop in North Brazil would be allowed at the free market rate of exchange. The free rate is currently around 135 cruzeiros per U. S. dollar.

Brazil's total 1958-59 cotton crop is estimated at 1,250,000 bales, down 7 percent from the 1957-58 crop of 1,350,000 bales. The severe drought cut 1958-59 production sharply in Northern Brazil, but this was partly offset by an increase in the South Brazilian crop.

Total cotton acreage in 1958-59 is estimated at 4,000,000 acres, compared with 3,700,000 in 1957-58. This 8-percent acreage expansion took place in South Brazil following an increase in the minimum prices guaranteed to producers for seed cotton--from the equivalent of 12.99 U.S. cents per pound to 15.10 cents. Acreage in Northern Brazil does not change much from year to year, since most of the cotton produced in that area is perennial type.

Reports indicate that the Brazilian textile industry is operating at a somewhat higher rate than last year. Consequently, cotton consumption this season may be slightly above the 1,050,000 bales used in 1957-58. Cotton stocks on March 1, 1959, were reported at about 270,000 bales, compared with the beginning stocks on August 1 of 600,000 bales.

U. S. COTTON IMPORTS
UP IN MARCH

U. S. imports of cotton (for consumption) were equivalent to 3,360 bales of 500 pounds gross weight in March 1959. February imports amounted to 1,636 bales, and March 1958 imports were 4,047 bales.

Practically all the February imports consisted of short harsh Asiatic-type cotton, most of which came from Pakistan, with smaller quantities from India. This type of cotton has not been subject to quotas since January 1958.

Cotton imports during August-March 1958-59 totaled 128,000 bales, down slightly from 133,000 bales imported in the corresponding months a year earlier. Principal sources of the August-March imports, with comparable 1957-58 figures in parentheses, were: Egypt 58,000 bales (30,000); Mexico 33,000 (74,000); Peru 26,000 (14,000); Pakistan 5,000 (10,000); and India 3,000 (3,000). Small quantities were also imported from Brazil, Aden, and Sudan.

FREE WORLD GROWS MORE COTTON
IN 1958-59; EXPORTS LESS

Cotton production in the 1958-59 season by principal Free World exporting countries is now estimated at 26.9 million bales (500 pounds gross). This is an increase of 1.0 million bales, or 4 percent, from last season.

The United States crop was larger this season because of record-high yields per acre while harvested acreage was down 13 percent from a year earlier and was the smallest since 1876. The 1958-59 crops were also considerably larger in Sudan, Mexico, and Egypt due to increased plantings and generally favorable growing conditions. Smaller production increases took place in British East Africa, Iran, Turkey, El Salvador, Peru, and Nicaragua. Other Free World countries showed declines from last season, largely because of adverse weather.

Thus far in the current season, cotton exports from the principal Free World exporting countries have declined by 1.5 million bales, or 20 percent, from shipments in the same months of 1957-58. Largest declines have been in exports from the United States, which are running only about half of what they were a year earlier. This reflects the price advantage of foreign cotton over most U.S. qualities. Exports from Syria, Brazil, and Iran were also smaller. Increased quantities were exported from 14 of the countries listed in the accompanying table--especially from India, Mexico, Egypt, Peru, Greece, and Pakistan.

Exports relate to the number of months shown opposite each country for the current season and for the same months last year.

FEWER FARMS IN WEST GERMANY

The number of farms with more than .5 hectare (1 hectare equals 2.471 acres) of agriculturally-used land in West Germany has declined from 1.91 million in 1949 to 1.74 million in 1958, according to Under Secretary Theodor Sonnemann of the German Ministry of Agriculture.

The decrease has been principally in part-time farms between .5 and 5 hectares in size, and is attributed largely to rising income from nonagricultural occupations. Purchase and leasing of much of this land has increased the average size of farms between 10 and 50 hectares. The Under Secretary pointed out that this change in farming structure, which would contribute more to raising farm income than many other measures, had been supported by the government only indirectly through land consolidation and settlement programs.

U. S. COTTON LINTERS IMPORTS DECLINE IN MARCH

U. S. imports of cotton linters, mostly felting qualities, were 15,000 bales (500 pounds gross) in March 1959. This was a decline of 12 percent from the 17,000 bales imported in February 1959, although 7 percent above imports of 14,000 bales in March 1958.

Linters imports in August-March 1958-59 totaled 121,000 bales, compared with 105,000 bales in the corresponding 1957-58 period. Principal sources of the August-March 1958-59 imports with comparable 1957-58 figures in parentheses, were: Mexico 98,000 bales (80,000); U.S.S.R. 10,000 (11,000); El Salvador 5,000 (2,000); Nicaragua 4,000 (1,000); and Guatemala 2,000 (1,000).

U. S. COTTON EXPORTS IN MARCH INCREASE FROM FEBRUARY

U. S. exports of cotton (all types) in March 1959 amounted to 295,000 bales of 500 pounds gross weight (284,000 running bales). This was an increase of 35 percent from February exports of 219,000 bales, although 41 percent below the 500,000 bales exported in March 1958.

Exports during August-March 1958-59 totaled 2,005,000 bales (1,931,000 running bales), against 3,938,000 bales in the corresponding 1957-58 period. Cotton exports in the full 1958-59 season (August-July) are not likely to reach 3,000,000 running bales. Last season's exports totaled 5,700,000 bales.

Sales under the 1958-59 export program of the Commodity Credit Corporation, for export between August 1, 1958, and July 31, 1959, totaled 2,257,943 running bales as of April 27, 1959. The average selling price, basis Middling 1-inch cotton, average location, was 28.51 cents per pound for the April 27 sales, compared with 28.43 cents for the previous sales on April 13. In addition to the CCC sales, registrations of cotton for export under the "payment-in kind" program totaled 273,522 bales as of April 27.

COTTON: United States exports of cotton by country of destination, averages 1935-39 and 1950-54, annual 1956 and 1957, August-March 1957-58 and 1958-59

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Average		1956	1957	August-March	
	1935-39	1950-54			1957-58	1958-59
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Austria.....	0	38	55	55	38	11
Belgium & Luxembourg.....	169	121	337	182	149	30
Denmark.....	33	29	25	26	23	6
Finland.....	35	13	33	19	13	13
France.....	662	431	433	367	119	178
Germany, West.....	511	382	1,061	623	499	84
Italy.....	442	379	722	572	396	119
Netherlands.....	107	127	260	113	80	12
Norway.....	17	14	21	13	11	1
Poland & Danzig.....	180	1/ 1	27	248	184	89
Portugal.....	36	2/ 9	91	24	17	11
Spain.....	108	142	174	217	90	240
Sweden.....	115	53	111	130	94	30
Switzerland.....	11	42	121	81	69	9
United Kingdom.....	1,346	434	1,050	709	512	140
Yugoslavia.....	17	86	141	115	13	2
Other Europe.....	3/ 96	5	38	18	16	3
Total Europe.....	3,885	2,306	4,700	3,512	2,323	978
Australia.....	9	2/ 39	81	67	45	30
Canada.....	301	311	380	277	172	50
Chile.....	9	24	74	35	33	2
Colombia.....	20	30	52	69	46	15
Cuba.....	11	19	31	46	34	5
French North Africa.....	4/	9	17	11	10	10
Hong Kong.....	4/	2/ 11	95	138	91	81
India.....	52	253	301	114	98	39
Indonesia.....	4/	19	43	31	21	11
Israel.....	4/	12	19	18	6	4
Japan.....	1,142	871	1,589	1,174	791	403
Korea, Republic of.....	4/	80	220	207	116	165
Philippines.....	2	9	36	59	34	54
Taiwan (Formosa).....	4/	85	162	110	57	129
Union of South Africa.....	4/	6	31	37	23	10
Other countries.....	5/ 158	50	6/ 86	53	38	19
Total 500-lb. bales.....	5,589	4,134	7,917	5,958	3,938	2,005
Total running bales.....	5,300	3,977	7,598	5,717	3,779	1,931

1/ One year only. 2/ 4-year average. 3/ Includes Czechoslovakia 65 and Norway 17. 4/ If any, included in other countries. 5/ Includes China 117, and French Indochina 22. 6/ Includes Bolivia 11, Pakistan 28, and Uruguay 15.

COTTON PRICES STRONGER IN WORLD MARKETS

Prices for most growths and qualities of cotton have strengthened in world import markets recently, particularly since mid-April. The stronger prices reflect a broadening in demand following a pickup in consumption in some countries, and increasing confidence in the marketing situation. The recent announcement that the U. S. export price would not be reduced to the level of competing growths prior to August 1, was one factor contributing to the increased confidence.

By May 1, c.i.f. Liverpool prices of the most competitive foreign upland cottons, at 27.25 cents per pound, basis Middling 1 inch, were about 1 $\frac{3}{4}$ cents above mid-February levels. U. S. prices rose about $\frac{1}{2}$ cent during this period, and the price advantage of foreign cotton over American narrowed from about 3.8 cents per pound to around 2.6 cents.

Buying has been stimulated by indications that supplies of cotton in some foreign Free World producing countries may become short before the 1959-60 crops become available, and that there will be some reduction in foreign Free World production next season. Mills are now buying to cover their needs for the rest of this season. There is also some interest in rebuilding stocks, which are relatively low in major importing countries.

After dropping to long-time lows around the first of 1959, some qualities of Mexican and Nicaraguan cotton strengthened and steadied at about 1-cent a pound higher. Since February, prices for these growths have advanced an additional 1 to 1 $\frac{1}{2}$ cents a pound. Prices for Mexican new-crop cotton have gained nearly 1-cent a pound on the Liverpool market since offers first became available in February. Prices for foreign extra-long staple cotton remain at near-record lows, reflecting burdensome surpluses.

COTTON CONSUMPTION, IMPORTS,
AND STOCKS DECLINE ABROAD

Thus far in 1958-59, cotton consumption and imports in principal foreign Free World importing countries have declined about 13 and 15 percent, respectively, from a year earlier. Stocks in these countries (India, Italy, and Spain excluded because their incoming crops will affect stock levels) are down 437,000 bales from August 1, 1958. This preliminary report is based primarily on data for the period August 1, 1958, to March 1 or April 1, 1959.

Compared with 1957-58, both consumption and imports have declined during 1958-59 in most importing countries, especially the United Kingdom, Japan, and West Germany. Consumption and imports increased slightly to moderately in Portugal and Hong Kong; in France imports were larger but consumption dropped. In the United Kingdom, West Germany, Canada, and Japan, there were major stock declines.

Cotton consumption has picked up recently in several countries, as consumer demand has improved and large stocks of finished goods have been reduced somewhat. Demand for raw cotton has also improved, as mills are buying to cover their needs for the rest of this season.

(Bales of 500 pounds gross)

Country	No. of mos.	Consumption		Imports		Stocks		Change in stocks since Aug. 1, 1958	
		1957-58	1958-59 ^{1/}	1957-58	1958-59 ^{1/}	Aug. 1 1958	Current (computed)	+	-
		1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria.....	6	58	55	54	50	30	25		5
Belgium.....	5	178	148	182	163	131	146		62
Canada.....	4	129	124	104	62	110	48	15	
Denmark.....	7	24	21	31	19	13	11		2
Finland.....	7	44	38	40	40	21	23	2	
France.....	8	948	770	654	733	340	303		37
Germany, West....	7	878	810	888	669	400	259		141
Hong Kong.....	7	154	163	149	169	53	59	6	
India.....	7	2,603	2,583	179	127	1,925	2/3,385	3/	
Italy.....	5	346	331	356	271	260	4/ 232	3/	
Japan.....	7	1,493	1,305	1,365	1,257	536	488		48
Netherlands.....	6	175	168	151	141	97	70		27
Norway.....	7	13	12	13	12	5	5		
Portugal.....	8	133	138	167	172	53	87	34	
Spain.....	7	275	275	106	279	90	5/ 289	3/	
Sweden.....	7	88	81	105	68	114	101		13
Switzerland.....	8	132	110	158	105	122	117		5
United Kingdom...	7	898	715	890	561	527	373		154
Total.....		8,569	7,847	5,592	4,898	4,827	6,021	6/ 57	6/ 494
Total excluding India, Italy & Spain...		5,345	4,658	4,951	4,221	2,552	2,115	Net change:	-437

^{1/} Preliminary and partly estimated. ^{2/} Includes crop of 4,100,000 bales minus exports of 184,000 bales.
^{3/} Not calculated because of incoming crop. ^{4/} Includes crop of 32,000 bales. ^{5/} Includes crop of 195,000 bales. ^{6/} Excluding India, Italy, and Spain.

WASHINGTON 25, D. C.

Official BusinessW O R L D T R A D E W E E K

President Eisenhower has proclaimed and urged the observance of the week beginning May 17 as WORLD TRADE WEEK.

He has called attention to the fact that international trade provides regular and direct communication between the world's people, thus stimulating mutual respect and understanding, which are the ground-work of peace.

The President has urged agricultural, industrial, labor, educational, and civic groups--as well as individual citizens--to observe WORLD TRADE WEEK with gatherings, discussions, exhibits, ceremonies, and other activities. This, he has stated, would tend to promote continuing awareness of the importance of world trade to the U. S. economy, and to this country's relations with other nations.